

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

19422
856
2

UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
DAIRY BRANCH

19422
856
2

INSERTS
FOR
SUMMARIES
OF
FLUID MILK MARKETING ORDERS

Revised to October 1, 1951

and

Federal Register Citations
for the Milk Price Orders

The attached are inserts to be substituted for the corresponding pages in the Summaries of Fluid Milk Marketing Orders, April 1, 1948, and Federal Register Citations for the milk price orders. These inserts revise the Federal orders as effective on October 1, 1951. The last insert was issued on September 1, 1951.

Table No. 1 - Average number of producers, annual volume of pooled
Milk in marketing areas regulated by Federal milk orders
July 1, 1950 to June 30, 1951, and estimated value of same

Market	Number of producers	Volume of pooled milk 1,000 lbs.	Estimated annual value \$1,000
Boston, Mass., 201-210 mile zone	13,107	1,429,651	64,553
Chicago, Illinois, 70 mile zone	21,308	3,438,831	130,609
Cincinnati, Ohio	5,389	363,820	13,990
Cleveland, Ohio	7,100	677,892	28,168
Clinton, Iowa	113	14,368	584
Columbus, Ohio	2,127	220,377	9,359
Dayton-Springfield, Ohio, Grade A	2,474	234,091	9,637
Dubuque, Iowa	223	32,642	1,214
Duluth-Superior, Minn.-Wis.	1,384	107,311	4,047
Fall River, Mass., 20 mile zone	324	49,378	2,999
Fort Wayne, Indiana	1,107	91,105	3,796
Kansas City, Mo.-Kansas	2,810	309,161	13,704
Knoxville, Tenn.	611	83,627	4,138
Lima, Ohio	354	32,500	1,378
Louisville, Kentucky	2,123	243,588	10,634
Lowell-Lawrence, Mass.	1,005	113,175	6,361
Memphis, Tennessee 1/*	1,053	115,601	6,080
Milwaukee, Wisconsin 2/*	3,080	250,900	9,976
Minneapolis-St. Paul, Minn.	5,808	673,576	26,090
Nashville, Tennessee	988	128,553	6,016
New Orleans, La., 61-70 mile zone	2,848	230,257	12,494
New York, N. Y., 201-210 mile zone	50,192	6,811,532	293,574
Oklahoma City, Oklahoma	1,227	113,867	5,706
Omaha-Council Bluffs, Nebr.-Iowa	1,939	140,118	6,265
Paducah, Kentucky	306	23,630	1,090
Philadelphia, Pennsylvania	8,953	1,098,701	56,326
Quad Cities, Ill.-Iowa, Grade A	771	103,380	4,204
Quad Cities, Ill.-Iowa, Non-grade A 3/*	688	240,669	740
Rockford-Freeport, Ill.	278	44,600	1,736
St. Louis, Mo.	4,126	461,478	20,046
Sioux City, Iowa	511	40,213	1,685
South Bend-LaPorte, Indiana	787	85,276	3,337
Springfield, Massachusetts	1,340	170,824	9,686
Springfield, Missouri 4/*	906	45,436	1,757
Suburban Chicago	2,470	281,796	11,234
Toledo, Ohio	1,881	167,431	7,026
Topeka, Kansas	392	40,166	1,728
Tri-State: Huntington District Plants	810	60,367	2,722
Other Plants	890	69,234	3,018
Tulsa, Oklahoma	759	107,713	5,411
Wichita, Kansas	878	94,365	4,345
Worcester, Massachusetts	814	107,482	6,168
Total	156,254	19,148,682	813,631

* Data are only for period during which order is effective.

1/ Order effective October 1.

2/ Order effective November 1; pricing provisions effective December 1.

3/ Suspended from order effective April 16.

4/ Order effective March 1.

SOURCE: Reports of the market administrators.

Compiled by the Program Analysis and Development Division, Dairy Branch, P.M.A.

FEDERAL MILK ORDER NO. 4

Boston, Massachusetts

Marketing Area:

Boston and 36 cities and towns in the metropolitan area.

Handler:

Person who, in a given month, operates a pool plant or any plant from which fluid milk products are disposed of, directly or indirectly, in the marketing area.

Pool Plant:

A plant is a pool plant under specified conditions relating to the proportion of dairy farmers delivering to the plant who hold certificates of health approval, the proportion of handler's Class I milk which is disposed of in the marketing area, and the holding of a license by the handler under Chapter 94, Section 40 of the Massachusetts General Laws. Conditions are also set forth by which a pool plant may lose such designation.

Producer:

A dairy farmer whose milk is delivered from his farm to a pool plant, except a "dairy farmer for other markets", and a dairy farmer with respect to his delivery of "exempt milk". Under specified conditions this definition also includes a dairy farmer who ordinarily delivers to a handler's pool plant but whose milk is diverted to a handler's nonpool plant. The term does not apply to a dairy farmer who is a producer under the Springfield, Lowell-Lawrence, or Worcester orders and whose milk is diverted to a Boston pool plant. A "dairy farmer for other markets" is a farmer whose milk is received at a pool plant during April, May, June, or July but whose milk was received at a nonpool plant of the handler or the handler's affiliate on more than three days in any of the preceding months of August through March. "Exempt milk" is milk from unregulated plant or a dairy farmer's own production which is delivered in bulk to a plant for packaging.

Classification:

Class I - All milk and milk products, the utilization of which is not established as Class II.

Class II - All milk and milk products established as sold, distributed or disposed of other than as or in milk, and other than as or in concentrated milk for fluid consumption, flavored milk, flavored skim milk, buttermilk, or cultured skim milk for human consumption; and plant shrinkage not in excess of 2 per cent of the volume handled.

Class Prices (3.7 per cent butterfat, f.o.b. 201-210 mile zone):

Class I - Compute a "formula index" as follows:

- (a) Determine latest Bureau of Labor Statistics monthly wholesale price index (1926 equals 100), and divide by 0.98;
- (b) Compute the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District, adjusted for seasonal variations (1935-1939 equals 100); divide such sum by 3.78;
- (c) Compute the sum of:
 - (1) Simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed as reported by the United States Department of Agriculture; divide such average by 0.5044 and multiply by 0.6, and
 - (2) The combined weighted average monthly farm wage rate for Maine, Massachusetts, New Hampshire, and Vermont; divide by 0.6394 and multiply by 0.4. In computing the weighted average, the respective States are weighted as follows: Maine, 10; Massachusetts, 6; New Hampshire, 7; and Vermont, 77. The weighted average is calculated from the simple averages, on a monthly equivalent basis, of the following farm wage rates reported by the United States Department of Agriculture for each of the four States: the rate per month with board and room, the rate per month with house; the rate per week with board and room; the rate per week without board or room; and the rate per day without board or room.

Compute the sum of (a), (b), and (c), divide the sum so computed by 3 and round fractions to nearest whole number (this is the "formula index").

Class I price is determined by applying "formula index" to the following table:

- (b) The price for any of the months of March through June shall not be higher, and the price for any of the months of September through December shall not be lower, than the price for the preceding month.

Class II -

- (1) The price per 40-quart can of Boston 40 per cent cream during the delivery month, minus 52.5 cents $\frac{1}{33}$ divide by 33, times 0.98, times 3.7. (If cream price is not reported, add to the butter value the average difference between the cream price and butter value during the preceding three months, the butter value being the price of 92-score at Chicago times 1.22, times 33.) For the butterfat content of any milk used to make salted butter or cheese during April, May, June, or July use price of 92-score butter at New York times 1.2.
- (2) Multiply by 7.85 the average price per pound of nonfat dry milk solids, (spray and roller process, human consumption, carlots, f.o.b. Chicago area manufacturing plants) for the period from the 26th day of the preceding month to the 25th day of the current month.
- (3) Add the results of (1) and (2) and subtract for each delivery period the following amounts:

Delivery period	:	Cents
January, February, October	:	67
November, and December	:	
August and September	:	73
March, April, and July	:	79
May and June	:	85

These "handlers' allowances" are subject to reduction (for each month following the first month in which such reduction would amount to 5 cents) by any amount by which the United States average price paid for milk for manufacturing, adjusted to 3.7 per cent butterfat content, during the preceding 12 months exceeded the average of Class II prices during the same 12 months.

1/ Based on freight rates for cream as of October 1, 1951. Subject to automatic adjustment if cream freight rate changes.

Butterfat Differentials:

Class Prices - No specific butterfat differential; in effect the producer differential applies. The computation of the butter-cheese adjustment, however, usually results in a different value for butterfat so used from that applied to the producer price.

Producer Price - Subtract 52.5 cents $\frac{1}{2}$ from the price of Boston 40 per cent cream per 40-quart can for the period from the 16th day of the preceding month to the 15th day of the current month and divide by 330. If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Location Differentials:

Class Prices - The following is an abbreviated table of differentials in effect on October 1, 1951. The location differentials are subject to automatic change if rail tariffs on milk or cream change.

<u>Zone (Miles)</u>	<u>Class I (Cents per cwt.)</u>	<u>Class II (Cents per cwt.)</u>
City Plant	/ 52	/ 38.1
41 - 50	/ 14.5	/ 4.2
101 - 110	/ 10.5	/ 2.9
151 - 160	/ 4	/ 1.3
201 - 210	0	0
251 - 260	- 6.5	- 1.2
301 - 310	- 13	- 2.3
351 - 360	- 15	- 3
391 and over	- 15.5	- 3.5

Producer Price - Graduated in the same manner as Class I except that producers located within 40 miles of Boston receive premium of 46 cents and producers located in 40 - 80 mile zone receive premium of 23 cents (in neither case may producer price exceed the Class I price).

Handlers may deduct 10 cents where milk is delivered to a city plant located outside the marketing area, and more than 14 miles from Boston.

Handlers may also deduct 4 cents at plants beyond 40 miles at which average daily receipts are between 8,500 and 17,000 pounds; 8 cents where average receipts are less than 8,500 pounds.

Method of Accounting for Milk:

Weight of milk or fluid milk product used in the products of each class.

For purposes of assigning transportation differentials, a handler's Class I milk is considered as being that delivered first at the city plant and then from the nearest country plant from which fluid milk is delivered.

Type of Pool:

Market-wide, monthly pool without base rating plan or new producer clause. Provision is made for charging interest at the rate of $\frac{1}{2}$ of 1 per cent per month on accounts due to or payable from the producer-settlement fund which remain unpaid after specified dates.

Interhandler Transfers:

Fluid milk products, except cream, moved to another regulated plant, is classified in accordance with its utilization at the plant to which it is moved. Transfers to a producer-handler are Class I.

Outside Purchases:

Receipts of milk from unregulated plants and skim milk from producer-handlers are classified as Class II milk without regard to specific use except that receipts of fluid milk products from New York pool plants during the months of August through March which are classified as Class I-A or Class I-B under the New York order and receipts of emergency milk from such plants are classified as Class I.

Emergency milk received by a handler whose Class II milk is in excess of 10 per cent of his total volume (other than cream), is assigned to Class II to the extent of the excess over 10 per cent. If specific utilization in Class II is established for a greater quantity of emergency milk, the greater quantity is assigned to Class II.

Receipts of cream and milk products other than fluid milk are classified as Class II.

All receipts of "exempt milk" are assigned to Class I.

Outside Sales:

Any fluid milk products except cream which is moved to an unregulated plant is classified as Class I up to the total quantity of milk which is utilized as Class I at the unregulated plant. If moved to a regulated plant of a nonpool handler or to an unregulated plant and then to another of these types of plants, it is classified as Class I. Outside sales of Class I milk are priced the same as sales of Class I milk in the marketing area.

Producer-handler:

A person who is both a handler and a dairy farmer and who receives milk of his own production only from farms located within 80 miles of Boston, and who receives no milk from other dairy farmers except producer-handlers. Such a handler may receive milk from other producer-handlers. Such handlers are required to furnish reports as to their receipts and utilization of fluid milk products.

Expense of Administration:

Handlers pay the pro rata expense of administration at a rate not in excess of 3 cents per hundredweight on milk received from producers, on outside milk, and on "exempt milk" processed at a regulated plant (custom processing).

Special Producer Provisions:

Deductions, as certified to by cooperatives, are turned over to associations. No marketing service charge is deducted for non-members.

Qualified cooperatives receive 1¢ per hundredweight on milk of members delivered to a handler's plant. On all milk received at their own plants, cooperatives receive 2¢ per hundredweight.

By the 10th day of each month, handlers are required to make a payment on account to producers for approximately the value of milk received during the first 15 days of the preceding month. Such payments may not be at a rate which is less than the Class II price.

Special Handler Provisions:

Handlers who operate unregulated plants from which milk is disposed of to consumers in the marketing area without intermediate movement to another plant are required to make payments to the market administrator for general distribution to producers equivalent to the difference between the Class I price and the Class II price on the quantity of milk so disposed of. A similar payment is required on receipts of outside milk which are in excess of a handler's total use of Class II milk (after deducting receipts of cream).

FEDERAL MILK ORDER NO. 30

Toledo, Ohio

Marketing Area:Ohio - Toledo and parts of Lucas and Wood Counties.Michigan - City of Monroe and parts of Monroe County.Handler:

Person who operates a fluid milk plant.

A "fluid milk plant" is defined as a plant or other facilities used in the preparation or processing of milk for disposition in the marketing area as Class I milk.

A producers' association is a handler with respect to milk which it causes to be diverted from a fluid milk plant to a plant not a fluid milk plant.

Producer:

Person who, under approval of health authorities (if such approval is required in the community for which the milk is produced), produces milk which is received at or diverted from a fluid milk plant.

Classification:

Class I - Fluid milk, skim milk or buttermilk (except for live-stock feed), flavored milk or milk drinks; milk used to produce concentrated milk for fluid consumption, and unaccounted-for milk.

Class II - Cream (sweet or sour), cream products in fluid form containing less than minimum butterfat required for fluid cream, and eggnog.

Class III - Products other than those in Classes I and II, plant shrinkage not over 2 per cent of producer receipts, and actual plant shrinkage in "other source" milk.

Class Prices (3.5 per cent butterfat):

A "basic formula" price is used for both Class I and Class II prices. The "basic formula" price is the highest of:

- (1) Average of prices paid for 3.5 per cent milk at 18 specified plants (see list used for Chicago "basic formula" price);
- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth "Twins" (or "Cheddars"), divided by 7, times 1.3, times 3.5;

- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Average price per pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 8.5, times .965. If the Chicago area price is not published, use Chicago delivered prices minus 7.5 cents.

- (4) The Class III price.

Class I - "Basic formula" price plus 75 cents during May and June, \$1.00 during July, August, March, and April and \$1.20 during all other months subject to a supply-demand adjustment computed from a utilization percentage, i.e., the percentage which Class I and II sales are of producer receipts during the second and third months preceding the delivery period. From this current utilization percentage there is subtracted a base period utilization percentage (computed from data for the period June 1949 through May 1950) as follows:

<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>
January	95	May	83	September	80
February	92	June	81	October	86
March	86	July	78	November	90
April	83	August	76	December	93

The resulting "net utilization percentage" is converted to a specific price adjustment in accordance with a tabulated schedule of premiums and discounts which average 3 cents per net utilization percent during January, February, March, August, and September, 2-cent premium and 4-cent discount during April through July, and 4-cent premium and 2-cent discount during October, November and Dec.

There is also a contraseasonal provision requiring that the Class I price differential, inclusive of the supply-demand adjustment, during July and August shall not be more than that effective in June, plus 25 cents, during September not more than June plus 45 cents, and during December, January, and February not less than in November.

Class II - The Class I price less 30 cents.

Class III - Average of prices paid for 3.5 per cent milk at the following plants:

Pet Milk Company,	Delta, Ohio
Defiance Milk Products Co.,	Defiance, Ohio
Pet Milk Company,	Hudson, Michigan

Butterfat Differentials:

Class I Price - Price per pound of Chicago 92-score butter, times 1.3, divided by 10.
Class II Price - Price per pound of Chicago 92-score butter, times 1.25, divided by 10.
Class III Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.
Producer Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials: None

FEDERAL MILK ORDER NO. 34

Lowell-Lawrence, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Andover	Haverhill	North Andover
Billerica	Lawrence	Tewksbury
Chelmsford	Lowell	Tyngsboro
Dracut	Merrimac	Westford
Groveland	Methuen	West Newbury

Handler:

Person who operates a pool plant, or any other plant from which fluid milk products (i.e., milk, flavored milk, cream, skim milk, flavored skim milk, cultured skim milk, or buttermilk) are disposed of directly or indirectly in the marketing area.

Pool Plant:

A plant is a pool plant if it meets certain specified conditions relating to the proportion of dairy farmers who hold Massachusetts certificates of health approval, the proportion of the handler's milk which is disposed of as Class I milk in the marketing area or is shipped in the form of milk to city plants, and the holding of a license by the handler to sell milk in the marketing area. Plants of producer-handlers and pool plants under the Boston, Worcester, or Springfield orders are barred from being Lowell-Lawrence pool plants.

Producer:

Person whose milk is delivered from his farm to a pool plant, except a "dairy farmer for other markets" and a dairy farmer with respect to his delivery of "exempt milk." The term also includes a dairy farmer who ordinarily delivers to a handler's pool plant but whose milk is temporarily diverted to another plant, if the handler reports the milk as being delivered to the pool plant. A "dairy farmer for other markets" is a dairy farmer whose milk is received at a pool plant during March through September from a farm from which the handler or an affiliate received nonpool milk on more than three days in any one of the preceding months of October through February. "Exempt milk"

is milk of a dairy farmer's own production which he delivers in bulk to a plant for packaging.

Classification:

Class I - All milk and milk products, the utilization of which is not established as Class II.

Class II - All milk and milk products established as sold, distributed or disposed of other than as or in milk, or other than as or in concentrated milk for fluid consumption, flavored milk, flavored skim milk, buttermilk, and cultured skim milk for human consumption; and plant shrinkage not in excess of 2 per cent of the volume handled.

Class Prices (3.7 per cent butterfat, city plants):

Class I - Compute a "formula index" as follows:

- (a) Determine latest Bureau of Labor Statistics monthly wholesale price index (1926 equals 100), and divide by 0.98.
- (b) Compute the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District, adjusted for seasonal variations (1935-1939 equals 100); divide such sum by 3.78.
- (c) Compute the sum of:
 - (1) Simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed as reported by the United States Department of Agriculture; divide such average by 0.5044 and multiply by 0.6, plus
 - (2) The combined weighted average monthly farm wage rate for Maine, Massachusetts, New Hampshire, and Vermont; divide by 0.6394 and multiply by 0.4. In computing the weighted average, the respective States are weighted as follows: Maine, 10; Massachusetts, 6; New Hampshire, 7; and Vermont, 77. The weighted average is calculated from the simple averages, on a monthly equivalent basis, of the following farm wage rates reported by the United States Department of Agriculture for each of the four States: the rate per month with board and room, the rate per month with house; the rate per week with board and room; the rate per week without board or room; and the rate per day without board or room.

Compute the sum of (a), (b), and (c), divide the sum so computed by 3 and round fractions to nearest whole number (this is the "formula index").

Class I price is determined by applying "formula index" to the following table:

CLASS I PRICE SCHEDULE

Formula Index	Class I price per hundredweight			
	Jan.-Feb.-	Apr.-	Oct.-	
	Mar.-July-	May-	Nov.-	
	Aug.-Sept.	June	Dec.	
50 - 56	\$2.21	\$1.77	\$2.65	
57 - 63	2.43	1.99	2.87	
64 - 70	2.65	2.21	3.09	
71 - 77	2.87	2.43	3.31	
78 - 84	3.09	2.65	3.53	
85 - 90	3.31	2.87	3.75	
91 - 97	3.53	3.09	3.97	
98 - 104	3.75	3.31	4.19	
105 - 111	3.97	3.53	4.41	
112 - 118	4.19	3.75	4.63	
119 - 125	4.41	3.97	4.85	
126 - 132	4.63	4.19	5.07	
133 - 139	4.85	4.41	5.29	
140 - 146	5.07	4.63	5.51	
147 - 152	5.29	4.85	5.73	
153 - 159	5.51	5.07	5.95	
160 - 166	5.73	5.29	6.17	
167 - 173	5.95	5.51	6.39	
174 - 180	6.17	5.73	6.61	
181 - 187	6.39	5.95	6.83	
188 - 194	6.61	6.17	7.05	

(For "Formula index" values of more than 194, the price increases at the rate for the highest six brackets.)

The prices determined above are subject to the following provisions:

- (a) For any month after December 1948, if the percentage of Class II milk in the Boston pool during the 12 month period ending with the second preceding month, is less than 33 per cent, the price shall be 44 cents more than the price otherwise applicable, and if the percentage of Class II milk during such period is more than 41 per cent, the price shall be 44 cents less than would otherwise be applicable. This provision, however, may not result in a price which is more than 88 cents higher or 88 cents lower than the price for the same month in the preceding year.

- (b) The price for any of the months of March through June shall not be higher, and the price for any of the months of September through December shall not be lower, than the price for the preceding month.
- (c) Prices are adjusted for changes in rail tariffs for carlots, tank cars, at the 201-210 mile zone.

Class II

- (1) Boston 40 per cent cream price per 40-quart can, divided by 33, times 0.98 times 3.7. (If cream price is not reported, add to the butter value the average difference between the cream price and butter value during the preceding three months, the butter value being the price of 92-score at Chicago times 1.22, times 33.)
- (2) Multiply by 7.85 the average price per pound of nonfat dry milk solids, (spray and roller process, human consumption, carlots, f.o.b. Chicago area manufacturing plants) for the period from the 26th day of the preceding month to the 25th day of the current month.

From the sum of (1) and (2) above subtract the following amounts:

<u>Month</u>	<u>Amount (Cents)</u>
January and February	67
March and April	79
May and June85
July	79
August and September	73
October, November and December	67

These "handlers' allowances" are subject to reduction, (for each month following the first month in which such reduction would amount to 5 cents) by any amount by which the U.S. average price paid for milk for manufacturing, adjusted to 3.7 per cent butterfat content, during the preceding 12 months exceeded the average of Class II prices for Boston, (201-210 mile zone) during the same 12 months.

Butterfat Differentials:

Class Prices - No specific butterfat differential; in effect the producer differential applies.

Producer Price - Boston 40 per cent cream price per 40 quart can for the period from the 16th day of the preceding month to the 15th day of the current month divided by 33, subtract 1.5 cents and divide the result by 10. (If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Outside Purchases:

Receipts of fluid milk products from plants subject to the Boston order are assigned to the class in which they are classified under that order, and receipts from New York order pool plants are assigned to Class I milk if classified in Class I-A or Class I-B under the New York order. Receipts of fluid milk products other than cream from plants subject to the Worcester or Springfield orders are assigned to Class I except that if shipper and receiver mutually request Class II classification and assignment, such receipts are assigned to Class II milk up to receiver's total Class II use of fluid milk products other than cream.

For pricing purposes "outside milk" is assigned to Class I only to the extent it exceeds the handler's Class II utilization of fluid milk products other than cream. On "outside milk" assigned to Class I the handler must pay the pool the difference between the Class I and Class II prices.

Outside Sales:

Fluid milk products, except cream, which are moved to an unregulated plant (and also to a producer-handler's plant) are classified as Class I milk up to the total Class I uses of the same form of product at the unregulated plant. Movements to plants subject to the Boston, Worcester, or Springfield orders are classified in the class to which they are assigned under those orders. Fluid milk products, other than cream, which are re-transferred from an unregulated plant to another such plant are classified as Class I, except in cases involving Boston, Worcester, or Springfield plants. Milk sold outside the marketing area is priced the same as milk sold in the marketing area except that any penalty payments incurred on sales classified as outside milk under the Boston order are deducted from the handler's obligation hereunder.

Producer-handler:

A person who is both a handler and a dairy farmer and who receives no milk other than exempt milk from other dairy farmers except producer-handlers, makes payments into the producer-settlement fund under specified conditions (see "Special Handler Provisions").

Expense of Administration:

Each handler pays the pro rata expense of administration at a rate not in excess of 4 cents per hundredweight on milk

received from producers, including his own production, and on his receipts of outside milk (except receipts of outside milk from other Federal order plants). Receipts from other Federal order plants are assessed at a rate by which the rate under this order exceeds the rate under the other order.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

Handlers are required to furnish producers with statements showing the quantity of milk delivered, payment rates, and the details and amounts of any deductions.

Advance payments are required on the 10th day after each month for the approximate value of milk delivered during the first 15 days of such month. Such payments in no event may be less than the Class II price. Handlers who make final payment on or before the 17th day after the end of a month are not required to make advance payments.

Special Handler Provisions:

"Exempt" milk (i.e., milk of a dairy farmer's own production which he delivers in bulk to a plant for packaging) when received by a handler is not priced or pooled under the order.

Handlers who receive Class I milk from a New York, Boston or Springfield order plant pay into the producer settlement fund on such Class I milk the amount by which the Class I price under this order, adjusted for location and butterfat differentials, exceeds the Class I price under the other order adjusted for location and butterfat differentials.

Grade A -

Month	Class I			Class II		
	Fixed	Supply-Demand		Fixed	Supply-Demand	
		Limits			Limits	
	Differential	Lower	Upper	Differentials	Lower	Upper
	(cents per hundredweight)			(cents per hundredweight)		
May-June	50	50	66	30	30	46
July-Nov.	90	60	120	50	40	80
Dec.-Apr.	70	50	94	40	30	64

Grade B - Above prices less 10 cents.

(On Grade A or B moved in bulk outside the designated surplus manufacturing area during September, October, or November the above prices are increased by 70 cents.)**

Class III - The highest price resulting from the following three formulæ (except that evaporated and condensed milk, whole milk powder, and nonfat dry milk solids are priced under "(1)"):

- (1) Average of prices for 3.5 per cent milk at the following places:

Borden Company,	Black Creek, Wisconsin
Borden Company,	Greenville, Wisconsin
Borden Company,	Mt. Pleasant, Michigan
Borden Company,	New London, Wisconsin
Borden Company,	Orfordville, Wisconsin
Carnation Company,	Berlin, Wisconsin
Carnation Company,	Jefferson, Wisconsin
Carnation Company,	Chilton, Wisconsin
Carnation Company,	Oconomowoc, Wisconsin
Carnation Company,	Richland Center, Wisconsin
Carnation Company,	Sparta, Michigan
Pet Milk Company,	Belleville, Wisconsin
Pet Milk Company,	Coopersville, Michigan
Pet Milk Company,	Hudson, Michigan
Pet Milk Company,	New Glarus, Wisconsin
Pet Milk Company,	Wayland, Michigan
White House Milk Company,	Manitowoc, Wisconsin
White House Milk Company,	West Bend, Wisconsin

** Suspended effective Sept. 11, 1951 for balance of month.

Class Prices (3.8 per cent butterfat):

"Basic formula" price - The highest of the prices resulting from the following:

- (1) Class II price.
- (2) Average of prices paid at 18 condenseries (see list under Chicago order) for 3.5 per cent milk adjusted to 3.8 per cent by adding price of 92-score butter at Chicago times 0.12 times 3.
- (3) 92-score butter at Chicago times 6
PLUS
2.4 times the price per pound of "Cheddars" at Plymouth, Wisconsin, divide by 7, multiply by 1.3, and multiply by 3.8.
- (4) 92-score butter at Chicago x 1.2 x 3.8.
PLUS
price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. plants in the Chicago area) less 5.5 cents, multiply by 3.2.

Class I - "Basic formula" price plus \$1.69 from October, 1951 through February, 1952, and plus \$1.25 thereafter.

Class II - August through March, the higher of:

- (1) The average of prices for ungraded milk of 4.0 per cent butterfat content, adjusted to 3.8 per cent, paid at the following plants:

Kraft Foods Company,	Lawrenceburg, Kentucky
Armour Creameries,	Elizabethtown, Kentucky
Armour Creameries	Springfield, Kentucky
Kraft Foods Company,	Salem, Indiana
Ewing-Von Allmen Company,	Corydon, Indiana
Ewing-Von Allmen Company,	Madison, Indiana
Producers' Dairy Marketing Asso.	Orleans, Indiana

or

- (2) Item (4) of "basic formula" above (butter-powder).

April through July, the higher of:

- (1) Local plant price, above,
or
- (2) Price of 92-score butter at Chicago times 1.15 times 3.8
PLUS
price per pound of nonfat dry milk solids (carlots, roller process, human consumption, f.o.b. manufacturing plants in the Chicago area) less 5.5 cents, times 8.2, deduct 8 cents.

FEDERAL MILK ORDER NO. 47

Fall River, Massachusetts

Marketing Area:

Massachusetts - Fall River and Somerset.

Rhode Island - Tiverton.

Handler:

Person who receives milk from producers, part of which is disposed of in the marketing area for consumption as milk or cream. A cooperative association is also a handler with respect to producer milk marketed by it, regardless of whether it operates a plant.

Producer:

Person who produces milk which is delivered to a plant from which Class I milk is shipped to, or sold in, the marketing area unless:

- (1) Minimum prices are required to be paid to him under provisions of any other Federal order;
- (2) Milk delivered by him is part of the handler's normal supply for another market; and
 - (i) Is classified in Class II or is disposed of outside the marketing area and is classified as Class I, or
 - (ii) Is moved to a plant from which the quantity of Class I milk sold or distributed in the marketing area during the delivery period is no greater than the quantity of Class I milk received during the delivery period at such plant from Fall River handlers plus the quantity of bulk milk received from a Federal order plant during the delivery period; or
- (3) His milk is delivered to a plant located outside Maine, New Hampshire, Vermont, Connecticut, Massachusetts, Rhode Island, and New York.

Classification:

All milk and milk products, the utilization of which is not established as Class II.

Class II - All milk and milk products established as sold, distributed, or disposed of other than as milk containing $\frac{1}{2}$ to 16 percent butterfat, and concentrated milk for fluid consumption, chocolate or flavored whole milk or skim milk, buttermilk, or cultured skim milk, for human consumption; and plant shrinkage not in excess of 2 percent of milk and milk drinks received.

Class Prices (3.7 percent butterfat, f.o.b. 201-210 mile zone):

Class I - Compute a "formula index" as follows:

- (a) Determine latest Bureau of Labor Statistics monthly wholesale price index (1926 equals 100), and divide by 0.98.
- (b) Compute the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District, adjusted for seasonal variations (1935-1939 equals 100); divide such sum by 3.78.
- (c) Compute the sum of:
 - (1) Simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed as reported by the United States Department of Agriculture; divide such average by 0.5044 and multiply by 0.6, plus
 - (2) The combined weighted average monthly farm wage rate for Maine, Massachusetts, New Hampshire, and Vermont; divide by 0.6394 and multiply by 0.4. In computing the weighted average, the respective States are weighted as follows: Maine, 10; Massachusetts, 6; New Hampshire, 7; and Vermont, 77. The weighted average is calculated from the simple averages, on a monthly equivalent basis, of the following farm wage rates reported by the United States Department of Agriculture for each of the four States: the rate per month with board and room, the rate per month with house; the rate per week with board and room; the rate per week without board or room; and the rate per day without board or room.

Compute the sum of (a), (b), and (c); divide the sum so computed by 3 and round fractions to nearest whole number (this is the "formula index").

Class I price is determined by applying "formula index" to the following table:

- (b) The price for any of the months of March through June shall not be higher, and the price for any of the months of September through December shall not be lower, than the price for the preceding month.
- (c) Prices are adjusted for changes in rail tariffs for carlots, tank cars, at the 201 - 210 mile zone.

Class II

- (1) Boston 40 per cent cream price per 40 quart can divided by 33, times 0.98, times 3.7. (If cream price is not reported, add to the butter value the average difference between the cream price and butter value during the preceding three months, the butter value being the price of 92 - score at Chicago, times 1.22, times 33.)
- (2) Multiply by 7.85 the average price per pound of nonfat dry milk solids, (spray and roller process, human consumption, carlots, f.o.b. Chicago area manufacturing plants) for the period from the 26th day of the preceding month to the 25th day of the current month.

From the sum of 1 & 2 above subtract the following amounts:

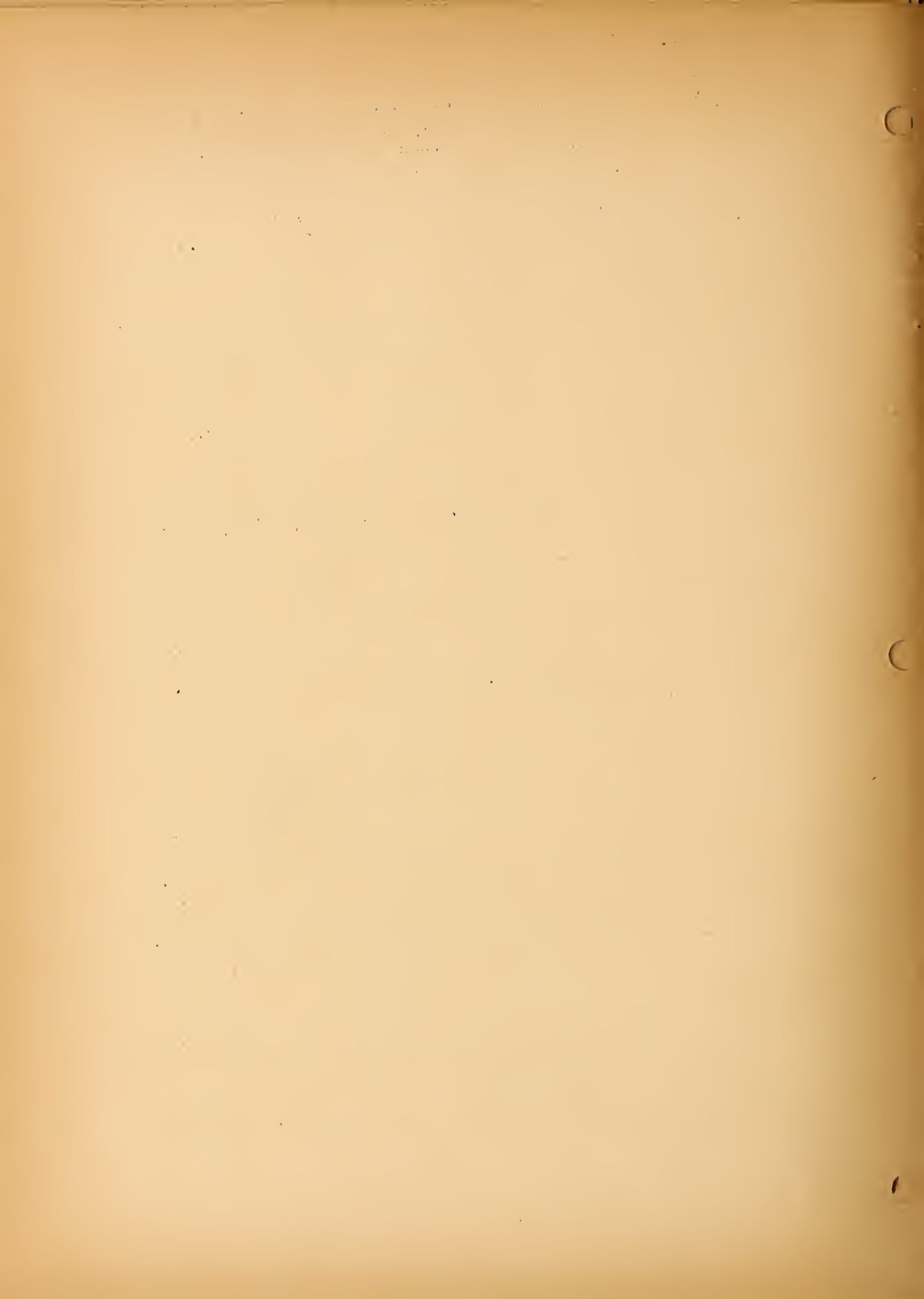
<u>Month</u>	<u>Amount</u>
January and February	\$.67
March and April	\$.79
May and June	\$.85
July	\$.79
August and September	\$.73
October, November and December	\$.67

These "handlers' allowances" are subject to reduction, (for each month following the first month in which such reduction would amount to 5 cents) by any amount by which the U. S. average price paid for milk for manufacturing, adjusted to 3.7 per cent butterfat content, during the preceding 12 months exceeded the average of Class II prices for Boston, (201-210 mile zone) during the same 12 months.

Butterfat Differentials:

Class Prices - No specific butterfat differential; in effect the producer differential applies.

Producer Price - Boston 40 per cent cream price per 40 quart can for the period from the 16th day of the preceding



month to the 15th day of the current month divided by 33, subtract 1.5 cents and divide the result by 10. If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Location Differentials:

Class Prices - The following is an abbreviated table of differentials in effect on October 1, 1951. They are subject to automatic change if rail tariffs on milk or cream change:

<u>Zone</u> <u>(miles)</u>	<u>Class I Price</u> <u>Differentials</u> <u>(cents per cwt.)</u>	<u>Class II Price</u> <u>Differentials</u> <u>(cents per cwt.)</u>
Less than 100 $\frac{1}{2}$	0	0
101-110	65.0	2.5
151-160	71.5	3.5
200-210	75.5	3.5
251-260	82.0	6.5
301 and over	86.0	7.5

Producer Price - Same as Class I, above.

Method of Accounting for Milk:

Weight of milk or its component utilized in the products of each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk moved from the plant of a handler to the plant of another handler is classified as reported by the seller, or by the buyer, except that assignment to Class II may not exceed Class II utilization at the receiving plant.

Outside Purchases:

Other source milk (i.e., milk and milk products which is not producer milk, milk delivered by dairy farmers for other markets, or milk and milk drinks from a Federal order plant) is deducted from Class II and if there is not sufficient Class II, then from Class I. Milk and milk products received in packaged form from a Federal order plant are classified according to actual use.

Milk and milk drinks received from another Federal order plant are classified in Class I except that during the months July - March such milk must be classified in Class II if it results in producer milk being more than 5% of Class II.

Outside Sales:

Milk or skim milk disposed of to a handler or plant subject to another Federal order is classified as reported, but Class II must not exceed total Class II milk of the buyer except in the cost of transfers to Boston.

Milk or skim milk sold to nonhandlers, except nonhandlers subject to another Federal order, is Class I to the extent of the receiver's Class I utilization.

Where a handler maintains separate lists of producers who supply him with milk for sale outside the marketing area, he may pay such prices as he has previously reported to the market administrator. Otherwise outside sales are priced the same as area sales.



Producer-handlers:

A handler who is also a producer and who, on the average, disposes of not more than 1,000 pounds of milk and milk drinks daily except in bulk to other handlers is exempt from the regulatory provisions. Reports may be required from such a handler by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 5 cents per hundredweight. On milk and milk drinks assessed under another Federal order, handlers pay administrative costs not to exceed 3 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

On or before the first day after the close of each delivery period handlers make payment on account to producers for the approximate value of milk received during the first 15 days of the delivery period.

Special Handler Provisions:

Handlers may deduct .75 cents per hundredweight for rental on cans supplied to producers.

At the request of handlers of more than 50 percent of the milk produced for sale in the marketing area, a "Marketing Committee" may be established.

Class Prices (3.5 per cent butterfat):

"Basic formula" price - A "basic formula" price is used for Class I and Class II. The "basic formula" price is the higher of the following:

- (1) The average of prices paid for 3.5 per cent milk at 18 Midwest manufacturing plants (see Chicago order for list), or
- (2) The price per pound of 92-score butterfat Chicago multiplied by 3.5 and add 20 per cent, plus the price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. manufacturing plants in Chicago area) minus 5.5 cents and multiplied by 8.2.

Class I - April through July "basic formula" price plus \$1.05 per hundredweight; all other months "basic formula" price plus \$1.35 per hundredweight subject to a "supply-demand" adjustment computed from a utilization percentage, i.e., the percentage which Class I sales are of producer receipts during the second and third preceding months. From this current utilization percentage there is subtracted a base period utilization percentage (computed from 1949 data) as follows:

<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>
January	73	May	63	September	45
February	75	June	56	October	47
March	74	July	47	November	54
April	70	August	44	December	64

The resulting "net utilization percentage" is converted to a specific price adjustment in accordance with a tabulated schedule of premiums and discounts which average 3 cents per net utilization percent during January, February, March, August, and September, 2-cent premium and 4-cent discount during the period April through July, and 4-cent premium and 2-cent discount during October, November, and December.

There is also a contraseasonal provision requiring that the Class I price differential, inclusive of the supply-demand adjustment, during July shall not be more than in June, during August and September not more than June plus 30 cents, and during December, January and February not less than in November.

The total Class I price differential, inclusive of the supply-demand adjustment, during October, 1951 through February, 1951, shall not be less than \$1.79.

Dayton-Springfield, Ohio

Marketing Area:

Cities of Dayton, Oakwood, and Springfield and specified townships in Greene, Montgomery, and Clark Counties, all in Ohio.

Handler:

Person who receives milk at a plant from which milk is disposed of as Class I in the marketing area. Such person or a cooperative association is also a handler with respect to producer milk diverted to an outside plant.

Producer:

Person who, in conformity with health requirements, produces milk:

- (1) Which is received at a plant from which milk is disposed in the marketing area as Class I,
- (2) Which is diverted by a handler to a plant from which no Class I milk is disposed of in the marketing area.

If a non-Grade A producer (one not certified as a Grade A producer by an appropriate health authority) ships milk to a Grade A plant he is considered a producer only for the purpose of computing the administrative assessment.

Classification:

Class I - Fluid milk, including reconstituted milk, skim milk, buttermilk, flavored milk, flavored milk drinks; milk used to produce concentrated milk for fluid consumption; and unaccounted-for milk.

Class II - Sweet or sour cream, any milk and cream mixture (containing 8 to 18 per cent butterfat).

Class III - Milk products other than those specified in Class I or Class II and milk used in any commercially manufactured food product, dumped or disposed of for livestock feeding, and shrinkage not over 2.5 per cent of producer receipts (plus receipts from other handlers not previously weighed and tested).

Class Prices (skim milk and butterfat):

A "basic formula" price is used in the determination of prices of skim milk and butterfat used in Class I and Class II. The "basic formula" price is the highest of the following, for the delivery month:

- (1) Average of prices paid for 3.5 per cent milk at 18 specified plants (see list used for "basic formula" price in Chicago Summary).
- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the price per pound of Plymouth "Cheddars" divided by 7, times 1.3, times 3.5,
- (3) Chicago 92-score butter minus 3 cents, times 3.5, times 1.2
PLUS
nonfat dry milk solids, human consumption, roller process; delivered at Chicago, minus 5.5 cents and multiply by 3.2.

Class I - Prices for skim milk and butterfat computed as follows:

(1) For the months of April through July, add to the "basic formula" price \$0.75 per hundredweight and for all other months \$1.05 per hundredweight, subject to a "supply-demand" adjustment computed from a utilization percentage, i.e., the percentage which Class I and Class II sales are of producer receipts during the second and third preceding months. From this current utilization percentage there is subtracted a base period utilization percentage (computed from 1949 data) as follows:

<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>
January	86	May	79	September	65
February	87	June	74	October	70
March	87	July	66	November	76
April	84	August	63	December	82

The resulting "net utilization percentage" is converted to a specific price adjustment in accordance with a tabulated schedule of premiums and discounts which average 3 cents per net utilization percent during January, February, March, August, and September, 2-cent premium and 4-cent discount April through July, and 4-cent premium and 2-cent discount October through December.

There is also a contraseasonal provision requiring that the Class I price differential, inclusive of the supply-demand adjustment, during July shall not be more than in June, during August and September not more than June plus 30 cents, and during December, January, and February not less than in November.

The total Class I price differential, inclusive of the supply-demand adjustment, during October 1951 through February 1952, shall not be less than \$1.40.

- (2) Price per hundredweight of Class I butterfat shall be 135 times the price per pound of Chicago 92-score butter.
- (3) Price per hundredweight of Class I skim milk shall be computed as follows: Multiply price for butterfat pursuant to (2) above by 0.035; subtract such amount from the amount obtained in (1) and divide the result by 0.965.

Class II - Price for skim milk and butterfat computed as follows:

- (1) Subtract 30 cents from the Class I price.
- (2) Price per hundredweight of Class II butterfat shall be 130 times price per pound of Chicago 92-score butter.
- (3) Price per hundredweight of Class II skim milk shall be computed as follows: Multiply price for butterfat pursuant to (2) above by 0.035; subtract such amount from the amount obtained in (1); and divide the result by 0.965.

Class III - The price per hundredweight of skim milk is computed as the average price per pound of nonfat dry milk solids (carlots, roller process, human consumption, f.o.b. Chicago) less 5.5 cents, multiplied by 8.2 and divided by 0.965, and for the months of April through July subtracting 20 cents, and for the months of October through February adding 20 cents.

The price per hundredweight of butterfat for months of April through July is computed by multiplying the price per pound of Chicago 92-score butter by 120. For all other months multiply by 125.

Price of butterfat used to produce butter for all months is computed by multiplying the price per pound of Chicago 92-score butter by 120 and subtracting \$3.60 from the result.

Butterfat Differentials:

Class Prices - None because skim milk and butterfat are priced separately.

Producer Price - Class III price per hundredweight of butterfat, divided by 1000.

Location Differentials:

None.

Grade A Milk Differential:

A Grade A milk differential of 25 cents per hundredweight of milk is added for such milk classified as Class I and Class II.

Method of Accounting for Milk:

Weights of butterfat and skim milk are computed separately as used in each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk disposed of as fluid milk, as milk products in fluid form, or as cream, to another handler (who receives milk from producers), is classified as agreed upon by both handlers. If transferred to a handler who receives no milk from producers, fluid milk, and milk products in fluid form are Class I, and fluid cream is Class II.

Outside Purchases:

Deducted in series beginning with the lowest price class.

Outside Sales:

Milk transferred by a handler to a nonhandler in the form of milk or other Class I products is Class I, and if transferred as cream it is Class II. If statements are signed by buyer and seller, the milk or cream is classified in accordance with its actual use, subject to verification.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handler:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight of milk received from producers (See producer definition) and of other source milk classified in Class I or II.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 6 cents is deducted for non-members.

A special payment is made to qualified cooperative associations at the rate of one-half cent per hundredweight on milk marketed by them on behalf of their members and on which reports and payments have been made as required by the order.

On or before the 26th day of each month payments on account are made to producer for milk delivered during the first 15 days of the month at not less than \$2.00 per hundredweight.

The price for Class I milk during the months of October through January is not lower than the price for the preceding September and the Class I price for April through July is not higher than the price for the preceding March.

From October 1951 through February 1952 the Class I price shall be the basic formula plus \$2.04 at Huntington District plants and \$1.34 at other plants.

Huntington District is portion of marketing area comprised of the cities of Ashland, Kentucky; Huntington, West Virginia; and Ironton and Gallipolis, Ohio.

Class II - "Basic formula" price plus the following amounts for the delivery period indicated:

<u>Delivery period</u>	<u>Huntington District plants</u>	<u>Other Plants</u>
May and June	\$0.80	\$0.60
March, April, July, and August	.90	.70
September through February	1.05	.85

The Class II price is adjusted by 25 cents per hundredweight at the same time and under the same conditions as the Class I price (see Class I price).

The price for Class II milk during the months of October through January is not lower than the price for the preceding September and the Class II price for April through July is not higher than the price for the preceding March.

From October 1951 through February 1952 the Class II price shall be the basic formula plus \$1.74 at Huntington District plants and \$1.54 at other plants.

Class III - "Basic formula" price.

Butterfat Differentials:

Class I - Price per pound of Chicato 92-score butter, times 1.2, divided by 10, plus one cent.

Class II - Class I differential minus one-half cent.

Class III - Class I differential minus one cent.

Producer price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials:

None.

FEDERAL MILK ORDER NO. 96

Springfield, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Agawam	Northampton
Chicopee	South Hadley
Easthampton	Springfield
East Longmeadow	Westfield
Holyoke	West Springfield
Longmeadow	Wilbraham
Ludlow	

Handler:

Person who, in a given month, operates a pool plant or engages in the handling of milk or other fluid milk products received at plants from which fluid milk products are disposed of, directly or indirectly, in the marketing area.

Pool Plant:

A plant is a pool plant under specified conditions relating to the proportion of dairy farmers delivering to the plant who hold certificates of health approval, the proportion of the handler's Class I milk which is disposed of in the marketing area, the holding of a license by the handler under Chapter 94, Section 40 of the Massachusetts General Laws. Conditions are also set forth by which a pool plant may lose such designation.

Producer:

Person, other than a producer-handler, whose milk is delivered from his farm to a pool plant or diverted from such plant, except a "dairy farmer for other markets" and a dairy farmer with respect to his delivery of "exempt milk." A "dairy farmer for other markets" is one whose milk is received at a pool plant during March through September from a farm from which the handler or an affiliate received nonpool milk on more than 3 days in anyone of the preceding months of October through February. "Exempt milk" is milk from another plant or from a dairy farmer's own production which is delivered in bulk to a plant for a packaging.

Classification:

Class I - All milk and milk products, the utilization of which is not established as Class II.

Class II - All milk and milk products established as sold, distributed or disposed of other than as or in milk, or other than as or in concentrated milk for fluid consumption, flavored milk, flavored skim milk, buttermilk, and cultured skim milk for human consumption; and plant shrinkage not in excess of 2 per cent of the volume handled.

Class Prices (3.7 per cent butterfat, city plants):

Class I - Compute a "formula index" as follows:

- (a) Determine latest Bureau of Labor Statistics monthly wholesale price index (1926 equals 100), and divide by 0.98.
- (b) Compute the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District, adjusted for seasonal variations (1935-1939 equals 100); divide such sum by 3.78
- (c) Compute the sum of:
 - (1) Simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed as reported by the United States Department of Agriculture; divide such average by 0.5044 and multiply by 0.6, plus
 - (2) The combined weighted average monthly farm wage rate for Maine, Massachusetts, New Hampshire, and Vermont; divide by 0.6394 and multiply by 0.4. In computing the weighted average, the respective States are weighted as follows: Maine, 10; Mass., 6; New Hampshire, 7; and Vermont, 77. The weighted average is calculated from the simple averages, on a monthly equivalent basis, of the following farm wage rates reported by the United States Department of Agriculture for each of the four States: the rate per month with board and room, the rate per month with house; the rate per week with board and room; the rate per week without board or room; and the rate per day without board or room.

Compute the sum of (a), (b), and (c), divide the sum so computed by 3 and round fractions to nearest whole number (this is the "formula index").

Class I price is determined by applying "formula index" to the following table:

- (b) The price for any of the months of March through June shall not be higher, and the price for any of the months of September through December shall not be lower, than the price for the preceding month.
- (c) Prices are adjusted for changes in rail tariffs for carlots, tank cars, at the 201-210 mile zone.

Class II -

- (1) Boston 40 per cent cream price per 40-quart can, divided by 33, times 3.7 (If cream price is not reported, add to the butter value the average difference between the cream price and butter value during the preceding three months, the butter value being the price of 92-score at Chicago times 1.22, times 33.)
- (2) Multiply by 7.85 the average price per pound of nonfat dry milk solids, (spray and roller process, human consumption, carlots, f.o.b. Chicago area manufacturing plants) for the period from the 26th day of the preceding month to the 25th day of the current month.

From the sum of (1) and (2) above subtract the following amounts:

<u>Month</u>	<u>Amount (Cents)</u>
January and February	67
March and April	79
May and June	85
July	79
August and September	73
October, November, and December.	67

These "handlers' allowances" are subject to reduction, (for each month following the first month in which such reduction would amount to 5 cents) by any amount by which the U. S. average price paid for milk for manufacturing, adjusted to 3.7 per cent butterfat content, during the preceding 12 months exceeded the average of Class II prices for Boston, (201-210 mile zone) during the same 12 months.

Butterfat Differentials:

Class Prices - No specific butterfat differential; in effect the producer differential applies.

Producer Price - Boston 40 per cent cream price per 40-quart can for the period from the 16th day of the preceding month to the 15th day of the current month divided by 33, subtract 1.5 cents and divide the result by 10. If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Location Differentials:Class Prices -

The following is an abbreviated table of differentials in effect on October 1, 1951. The location differentials are subject to automatic changes if rail tariffs on milk or cream change:

Zone (Miles)	Class I price differentials (cents per cwt.)	Class II price differentials (cents per cwt.)
51 - 60	- 42.5	- 3.0
101 - 110	- 45.5	- 4.5
151 - 160	- 52.0	- 6.0
201 - 210	- 56.0	- 7.0
251 - 260	- 62.5	- 8.0
291 - and over	- 65.5	- 8.0

Producer Price - Graduated in the same manner as Class I except that nearby location differentials of 46 cents per hundredweight are added for milk delivered by producers whose farms are located in certain cities, towns, and counties near to the marketing area. Such nearby location differentials, however, are limited to an amount such that the producer price is not in excess of the Class I price.

Method of Accounting for Milk:

Weight of milk or fluid milk products used in the products of each class.

Type of Pool:

Market-wide monthly pool without base rating plan or new producer clause. Provision is made for charging interest at the rate of $\frac{1}{2}$ of 1 per cent per month on accounts due to or from the producer settlement fund which remain unpaid after specified dates.

Interhandler Transfers:

Fluid milk products other than cream are classified in accordance with assignment or actual utilization respectively if moved to another pool plant or if moved to a buyer-handler's plant. Cream and milk products other than fluid milk products if moved to another plant are classified as Class II.

Outside Purchases:

Receipts of outside milk from producers and other plants are assigned to Class I and by means of a price adjustment, in effect subtracted from Class II up to the total quantity of milk remaining in Class II. Receipts of fluid milk products other than cream from plants subject to the New York or Boston orders are assigned to the class to which they are assigned under the

respective orders. Receipts from New York order plants assigned to Class I-A or Class I-B under the New York order are Class I under this order. Receipts assigned to other Classes under the New York order are Class II under this order. Receipts of fluid milk products other than cream from plants subject to the Worcester or Lowell-Lawrence orders are assigned to Class I unless other utilization is agreed upon between the two handlers but assignment to Class II cannot exceed the quantity of fluid milk products other than cream remaining in Class II after deducting receipts of outside milk.

Outside Sales:

Milk moved to a producer-handler's plant or to any unregulated plant except one subject to the New York, Boston, Lowell-Lawrence or Worcester orders is classified as Class I. Movements to plants subject to such orders are classified in the class to which assigned under the other orders. Movements assigned to Class I-A, I-B, or I-C under the New York order are classified in Class I under this order. Milk assigned to other classes under the New York order is classified as Class II under this order. Milk retransferred after movement to a regulated plant of a nonpool handler or to an unregulated plant except one subject to the New York, Boston, Lowell-Lawrence or Worcester orders is classified as Class I. Outside sales of Class I milk are priced the same as sales in the marketing area.

Producer-handler:

A person who is both a handler and a dairy farmer and who receives no milk from other dairy farmers except producer-handlers makes payments into the producer-settlement fund under specified conditions (see "Special Handler Provisions").

Expense of Administration:

Each handler pays the pro rata expense of administration at a rate not in excess of 4 cents per hundredweight on milk received from producers including his own production and on his receipts of outside milk. Receipts of outside milk from other Federal order plants are assessed at a rate by which the rate under this order exceeds the rate under the other order.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations. A marketing service charge not to exceed 3 cents per hundredweight is deducted for non-members.

Advance payments are required on the 10th day after each month for the approximate value of milk delivered during the first 15 days of such month. Such payments in no event may be less than the Class II price. Handlers who make final payment on or before the 17th day after the end of a month are not required to make advance payments.

Special Handler Provisions:

Buyer-handlers and producer-handlers who receive outside milk in excess of their total utilization of Class II pay into the producer settlement fund on such excess and handler-operators of unregulated plants at which outside milk is disposed of to consumers in the marketing area without intermediate movement to another plant pay into the producer settlement fund on such milk the difference between the Class II price and the Class I price.

Handlers who receive Class I milk from a New York, Boston, Lowell-Lawrence or Worcester order plant pay into the producer settlement fund on such Class I milk the amount by which the Class I price under this order, adjusted for location and butterfat differentials exceeds the Class I price under the other order adjusted for location and butterfat differentials.

FEDERAL MILK ORDER NO. 99

Worcester, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Auburn	Parton
Boylston	Rutland
Clinton	Shrewsbury
Grafton	Spencer
Holden	West Boylston
Leicester	Worcester
Millbury	

Handler:

Person who, in a given month, operates a pool plant or engages in the handling of milk or other fluid milk products received at plants from which fluid milk products are disposed of, directly or indirectly, in the marketing area.

Pool Plant:

A plant is a pool plant under specified conditions relating to the proportion of dairy farmers delivering to the plant who hold certificates of health approval, the proportion of the handler's Class I milk which is disposed of in the marketing area, the holding of a license by the handler under Chapter 94, Section 40 of the Massachusetts General Laws. Conditions are also set forth by which a pool plant may lose such designation.

Producer:

Person, other than a producer-handler, whose milk is delivered from his farm to a pool plant or diverted from such plant, except a "dairy farmer for other markets" and a dairy farmer with respect to his delivery of "exempt milk". A "dairy farmer for other markets" is one whose milk is received at a pool plant during March through September from a farm from which the handler or an affiliate received nonpool milk on more than 3 days in anyone of the preceding months of October through February. "Exempt milk" is milk from another plant or from a dairy farmer's own production which is delivered in bulk to a plant for packaging.

Classification:

Class I - All milk and milk products, the utilization of which is not established as Class II.

Class II - All milk and milk products established as sold, distributed or disposed of other than as or in milk, or other than as or in concentrated milk for fluid consumption, flavored milk, flavored skim milk, buttermilk, and cultured skim milk for human consumption; and plant shrinkage not in excess of 2 per cent of the volume handled.

Class Prices (3.7 per cent butterfat, city plants):

Class I - Compute a "formula index" as follows:

- (a) Determine latest Bureau of Labor Statistics monthly wholesale price index (1926 equals 100), and divide by 0.98.
- (b) Compute the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District, adjusted for seasonal variations (1935-1939 equals 100); divide such sum by 3.78.
- (c) Compute the sum of:
 - (1) Simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed as reported by the United States Department of Agriculture; divide such average by 0.5044 and multiply by 0.6, plus
 - (2) The combined weighted average monthly farm wage rate for Maine, Massachusetts, New Hampshire, and Vermont; divide by 0.6394 and multiply by 0.4. In computing the weighted average, the respective States are weighted as follows: Maine, 10; Massachusetts, 6; New Hampshire, 7; and Vermont, 77. The weighted average is calculated from the simple averages, on a monthly equivalent basis, of the following farm wage rates reported by the United States Department of Agriculture for each of the four States: the rate per month with board and room, the rate per month with house; the rate per week with board and room; the rate per week without board or room; and the rate per day without board or room.

Compute the sum of (a), (b), and (c), divide the sum so computed by 3 and round fractions to nearest whole number (this is the "formula index").

Class I price is determined by applying "formula index" to the following table:

- (b) The price for any of the months of March through June shall not be higher, and the price for any of the months of September through December shall not be lower, than the price for the preceding month.
- (c) Prices are adjusted for changes in rail tariffs for carlots, tank cars, at the 201-210 mile zone.

Class II -

- (1) Boston 40 per cent cream price per 40-quart can, divided by 33, times 0.98, times 3.7. (If cream price is not reported, add to the butter value the average difference between the cream price and butter value during the preceding three months, the butter value being the price of 92-score at Chicago, times 1.22, times 33.)
- (2) Multiply by 7.85 the average price per pound of nonfat dry milk solids, (spray and roller process, human consumption, carlots, f.o.b. Chicago area manufacturing plants) for the period from the 26th day of the preceding month to the 25th day of the current month.

From the sum of 1 & 2 above subtract the following amounts:

<u>Month</u>	<u>Amount</u> <u>(Cents)</u>
January and February	67
March and April	79
May and June	85
July	79
August and September	73
October, November, and December	67

These "handlers" allowances" are subject to reduction, (for each month following the first month in which such reduction would amount to 5 cents) by any amount by which the U. S. average price paid for milk for manufacturing, adjusted to 3.7 per cent butterfat content, during the preceding 12 months exceeded the average of Class II prices for Boston, (201-210 mile zone) during the same 12 months.

Butterfat Differentials:

Class Prices - No specific butterfat differential; in effect the producer differential applies.

Producer Price - Boston 40 per cent cream price per 40 quart can for the period from the 16th day of the preceding month to the 15th day of the current month divided by 33, subtract 1.5 cents and divide the result by 10. If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Location Differentials:

Class Prices -

The following is an abbreviated table of differentials in effect on October 1, 1951. The location differentials are subject to automatic change if rail tariffs on milk or cream change.

Zone (Miles)	Class I price differentials (cents per cwt.)	Class II price differentials (cents per cwt.)
51-60	- 42.5	- 3.0
101-110	- 45.5	- 4.5
151-160	- 52.0	- 6.0
201-210	- 56.0	- 7.0
251-260	- 62.5	- 8.0
291 and over	- 65.5	- 8.0

Producer Price - Graduated in the same manner as Class I except that nearby location differentials of 46 cents per hundredweight are added for milk delivered by producers whose farms are located in certain cities, towns, and counties near to the marketing area. Such nearby location differentials, however, are limited to an amount such that the producer price is not in excess of the Class I price.

Method of Accounting for Milk:

Weight of milk or fluid milk products used in the products of each class.

Type of Pool:

Market-wide monthly pool without base rating plan or new producer clause. Provision is made for charging interest at the rate of 1/2 of 1 per cent per month on accounts due to or from the producer settlement fund which remain unpaid after specified dates.

Interhandler Transfers:

Fluid milk products other than cream are classified in accordance with assignment or actual utilization respectively if moved to another pool plant or if moved to a buyer-handler's plant. Cream and milk products other than fluid milk products, if moved to another plant, are classified as Class II.

Outside Purchases:

Receipts of outside milk from producers and other plants are assigned to Class I and by means of a price adjustment, in effect subtracted from Class II up to the total quantity of milk remaining in Class II. Receipts of fluid milk products other than cream from plants subject to the New York or Boston orders are assigned the class to which they are assigned under the respective orders. Receipts from New York order plants assigned to Class I-A or Class I-B under the New York order are Class I under this order. Receipts assigned to other classes under the New York order are Class II under this order. Receipts of fluid milk products other than cream from plants subject to the Lowell-Lawrence or Springfield orders are assigned to Class I unless other utilization is agreed upon between the two handlers but assignment to Class II cannot exceed the quantity of fluid milk products other than cream remaining in Class II after deducting receipts of outside milk.

Outside Sales:

Milk moved to a producer-handler's plant or to any unregulated plant except one subject to the New York, Boston, Lowell-Lawrence or Springfield orders is classified as Class I. Movements to plants subject to such orders are classified in the class to which assigned under the other orders. Movements assigned to Class I-A, I-B, or I-C under the New York order are classified in Class I under this order. Milk assigned to other classes under the New York order is classified as Class II under this order. Milk retransferred after movement to a regulated plant of a nonpool handler or to an unregulated plant except one subject to the New York, Boston, Lowell-Lawrence or Springfield orders is classified as Class I. Outside sales of Class I milk are priced the same as sales in the marketing area.

Producer-Handler:

A person who is both a handler and a dairy farmer and who receives no milk from other dairy farmers except producer-handlers, makes payments into producer settlement fund under specified conditions (see "Special Handler Provisions").

Expense of Administration:

Each handler pays the pro rata expense of administration at a rate not in excess of 4 cents per hundredweight on milk received from producers including his own production and on his receipts of outside milk. Receipts of outside milk from other Federal order plants are assessed at a rate by which the rate under this order exceeds the rate under the other order.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations. A marketing service charge not to exceed 3 cents per hundredweight is deducted for non-members.

Advance payments are required on the 10th day after each month for the approximate value of milk delivered during the first 15 days of such month. Such payments in no event may be less than the Class II price. Handlers who make final payment on or before the 17th day after the end of a month are not required to make advance payments.

Special Handler Provisions:

Buyer-handlers and producer-handlers who receive outside milk in excess of their total utilization of Class II pay into the producer settlement fund on such excess and handler-operators of unregulated plants at which outside milk is disposed of to consumers in the marketing area without intermediate movement to another plant, pay into the producer settlement fund on such milk the difference between the Class II price and the Class I price.

Handlers who receive Class I milk from a New York, Boston, Lowell-Lawrence, or Springfield order plant pay into the producer settlement fund on such Class I milk the amount by which the Class I price under this order, adjusted for location and butterfat differentials, exceeds the Class I price under the other order adjusted for location and butterfat differentials.

ST. LOUIS - ORDER NO. 3

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
14 FR 4775	7/30/49	Order, as amended
15 FR 1827	3/31/50	Amendment No. 4
15 FR 9427	12/30/50	Amendment No. 5

BOSTON - ORDER NO. 4

16 FR 9929	9/29/51	Order, as amended
------------	---------	-------------------

OKLAHOMA CITY - ORDER NO. 5

15 FR 1770	3/30/50	Order
16 FR 2782	3/30/51	Amendment No. 1

TULSA - ORDER NO. 6

15 FR 1829	3/31/50	Order
16 FR 2784	3/30/51	Amendment No. 1

MILWAUKEE - ORDER NO. 7

15 FR 7173	10/26/50	Order
15 FR 9428	12/30/50	Amendment No. 1
16 FR 3691	5/1/51	Amendment No. 2
16 FR 6339	6/30/51	Amendment No. 3

DUBUQUE - ORDER NO. 12

14 FR 3226	6/15/49	Order, as amended
------------	---------	-------------------

TOLEDO - ORDER NO. 30

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 6420	7/3/51	Order, as amended
16 FR 10049	10/3/51	Amendment No. 9

CEDAR RAPIDS - ORDER NO. 31

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 7343	7/27/51	Order

FORT WAYNE - ORDER NO. 32

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
12 FR 1538	3/7/47	Order, as amended
13 FR 2307	4/29/48	Amendment No. 1
13 FR 3196	6/12/48	Amendment No. 2
15 FR 3307	5/30/50	Amendment No. 3

LOWELL-LAWRENCE - ORDER NO. 34

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 9671	9/22/51	Order, as amended

OMAHA - ORDER NO. 35

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
12 FR 2073	3/29/47	Order, as amended
13 FR 9487	12/31/48	Amendment No. 2
14 FR 3231	6/15/49	Amendment No. 3

CHICAGO - ORDER NO. 41

16 FR 6348	6/30/51	Order, as amended
16 FR 9363	9/15/51	Order suspending certain provisions

NEW ORLEANS - ORDER NO. 42

13 FR 1079	2/28/48	Order, as amended
14 FR 1483	4/1/49	Amendment No. 2
14 FR 5385	8/31/49	Order suspending certain provisions
14 FR 5960	9/30/49	Amendment No. 3
16 FR 1899	2/28/51	Order suspending certain provisions

NORTH TEXAS - ORDER NO. 43

16 FR 8420	8/23/51	Order
------------	---------	-------

QUAD CITIES - ORDER NO. 44

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
13 FR 2285	4/28/48	Order, as amended
14 FR 2252	5/6/49	Amendment No. 3
16 FR 3276	4/14/51	Order suspending certain provisions

LOUISVILLE - ORDER NO. 46

16 FR 8512	8/24/51	Order, as amended
16 FR 10050	10/3/51	Amendment No. 5

FALL RIVER - ORDER NO. 47

16 FR 10107	10/4/51	Order, as amended
-------------	---------	-------------------

SIOUX CITY - ORDER NO. 48

12 FR 2079	3/29/47	Order, as amended
13 FR 9490	12/31/48	Amendment No. 2

DULUTH-SUPERIOR - ORDER NO. 54

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 155	1/6/51	Order, as amended
16 FR 8103	8/16/51	Amendment No. 6

PHILADELPHIA - ORDER NO. 61

7 FR 2377	3/28/42	Order
8 FR 1431	2/3/43	Amendment No. 1
8 FR 4749	4/13/43	Amendment No. 1a
9 FR 7493	7/5/44	Order suspending certain provisions
10 FR 11041	8/29/45	Amendment No. 2
11 FR 5902	6/1/46	Amendment No. 3
11 FR 7260	6/29/46	Order suspending certain provisions
11 FR 10257	9/14/46	Amendment No. 4
12 FR 93	1/7/47	Order suspending certain provisions
13 FR 4343	7/29/48	Amendment No. 5
13 FR 9294	12/31/48	Amendment No. 6
14 FR 1845	4/16/49	Amendment No. 7
14 FR 3613	7/1/49	Order suspending certain provisions
14 FR 5964	9/30/49	Order suspending certain provisions
14 FR 7196	11/30/49	Amendment No. 8
15 FR 1775	3/30/50	Amendment No. 9
15 FR 4216	7/1/50	Amendment No. 10
15 FR 6571	9/29/50	Amendment No. 11
16 FR 2383	3/14/51	Amendment No. 12

CINCINNATI - ORDER NO. 65

15 FR 5983	9/6/50	Order, as amended
16 FR 2786	3/30/51	Amendment No. 10
16 FR 8816	8/31/51	Amendment No. 11
16 FR 10051	10/3/51	Amendment No. 12

SOUTH BEND-LAPORTE - ORDER NO. 67

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
15 FR 1776	3/30/50	Order, as amended
15 FR 9432	12/30/50	Amendment No. 1
16 FR 6359	6/30/51	Amendment No. 2

WICHITA - ORDER NO. 68

16 FR 2786	3/30/51	Order, as amended
16 FR 8817	8/31/51	Amendment No. 4

CLINTON - ORDER NO. 70

11 FR 2915	3/20/46	Order, as amended
11 FR 6527	6/14/46	Order suspending certain provisions
11 FR 8279	8/1/46	Order suspending certain provisions
12 FR 5037	7/30/47	Amendment No. 1
14 FR 1911	4/21/49	Amendment No. 2

DAYTON-SPRINGFIELD - ORDER NO. 71

16 FR 10052	10/3/51	Order, as amended
-------------	---------	-------------------

TRI-STATE - ORDER NO. 72

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
11 FR 12926	11/1/46	Order, as amended
11 FR 13622	11/21/46	Order suspending certain provisions
12 FR 4243	7/1/47	Amendment No. 1
13 FR 1662	3/31/48	Order suspending certain provisions
13 FR 2330	4/30/48	Amendment No. 2
13 FR 7295	11/30/48	Amendment No. 3
14 FR 2783	5/27/49	Amendment No. 4
14 FR 7057	11/23/49	Order suspending certain provisions
16 FR 281	1/31/51	Amendment No. 5
16 FR 10058	10/3/51	Amendment No. 6

MINNEAPOLIS-ST PAUL - ORDER NO. 73

15 FR 5326	8/15/50	Order, as amended
16 FR 7583	8/3/51	Order suspending certain provisions

COLUMBUS - ORDER NO. 74

15 FR 4969	8/3/50	Order, as amended
16 FR 796	1/30/51	Amendment No. 6

CLEVELAND - ORDER NO. 75

15 FR 5878	8/31/50	Order, as amended
16 FR 6362	6/30/51	Amendment No. 5

PADUCAH - ORDER NO. 77

16 FR 8431	8/23/51	Order, as amended
------------	---------	-------------------

SPRINGFIELD, MASS. - ORDER . O. 96

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 9941	9/29/51	Order, as amended

WORCESTER - ORDER NO. 99

16 FR 9949	9/29/51	Order, as amended
------------	---------	-------------------

PADUCAH - ORDER NO. 77

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
12 FR 8808	12/27/47	Order
14 FR 6594	10/29/49	Amendment No. 1

NASHVILLE - ORDER NO. 78

12 FR 7320	11/8/47	Order
13 FR 5526	9/23/48	Amendment No. 1
14 FR 5388	8/31/49	Amendment No. 1a
14 FR 7756	12/29/49	Amendment No. 2

TOPEKA - ORDER NO. 80

12 FR 8377	12/13/47	Order
13 FR 7704	12/14/48	Amendment No. 1

KNOXVILLE - ORDER NO. 88

14 FR 3832	7/13/49	Order
14 FR 7197	11/30/49	Amendment No. 1
15 FR 1782	3/30/50	Amendment No. 2

ROCKFORD-FREEPORT - ORDER NO. 91

14 FR 4782	7/30/49	Order
15 FR 4185	6/30/50	Amendment No. 1
15 FR 9433	12/30/50	Amendment No. 2

LIMA - ORDER NO. 95

14 FR 3515	6/29/49	Order
------------	---------	-------

